

VZCZCXRO2551  
PP RUEHFK RUEHKSO RUEHNAG RUEHNH  
DE RUEHKO #0550/01 0630124  
ZNR UUUUU ZZH  
P 030124Z MAR 08  
FM AMEMBASSY TOKYO  
TO RUEHC/SECSTATE WASHDC PRIORITY 2161  
INFO RUEKJCS/SECDEF WASHDC PRIORITY  
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY  
RUEAWJA/USDOJ WASHDC PRIORITY  
RULSDMK/USDOT WASHDC PRIORITY  
RUCPDOG/USDOC WASHDC PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
RUEKJCS/JOINT STAFF WASHDC//J5//  
RHHMUNA/HQ USPACOM HONOLULU HI  
RHHMHBA/COMPACFLT PEARL HARBOR HI  
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//  
RHMFIUU/USFJ //J5/JO21//  
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA  
RUAYJAA/CTF 72  
RUEHNH/AMCONSUL NAHA 8797  
RUEHFK/AMCONSUL FUKUOKA 6403  
RUEHOK/AMCONSUL OSAKA KOBE 0071  
RUEHNAG/AMCONSUL NAGOYA 4950  
RUEHKSO/AMCONSUL SAPPORO 7008  
RUEHBJ/AMEMBASSY BEIJING 1969  
RUEHUL/AMEMBASSY SEOUL 8031  
RUCNDT/USMISSION USUN NEW YORK 8611

UNCLAS SECTION 01 OF 14 TOKYO 000550

SIPDIS

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;  
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;  
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;  
SECDEF FOR JCS-J-5/JAPAN,  
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA  
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;  
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 03/03/08

Index:

- 1) Top headlines
- 2) Editorials
- 3) Prime Minister's daily schedule (Nikkei)

Okinawa incidents:

- 4) Marine accused of school girl rape in Okinawa released by police when victim decides to drop charges (Asahi)
- 5) Ambassador Schieffer tells Prime Minister Fukuda USFJ will continue to investigate case of Marine accused of school girl rape (Yomiuri)
- 6) U.S. Embassy spokesperson: USFJ not dropping the case of the Marine accused of rape (Asahi)
- 7) Fukuda stresses need for U.S.-Japan cooperation to prevent recurrence of incidents by U.S. military personnel (Asahi)
- 8) Drunken airman, breaking total curfew and sneaking off base, arrested for breaking and entering Japanese office in Okinawa (Tokyo Shimbun)
- 9) Gov. Ishihara, angry at Okinawa rape and lack of progress on his Yokota scheme, calls for brief rupture of U.S.-Japan treaty, restructuring of alliance (Sankei)

Aegis collision:

- 10) Prime Minister Fukuda visits family of fishermen lost at sea and apologizes for Aegis collision (Yomiuri)
- 11) Defense Minister Ishiba admits inept explanations about Aegis collision and aftermath (Tokyo Shimbun)

Political agenda:

- 12) Mainichi poll: Fukuda Cabinet's non-support rate reaches high of 51 PERCENT , with support rate dropping three points to 30 PERCENT (Mainichi)
- 13) Ruling parties ram national budget and tax bills through the Lower House, setting up renewed confrontation with opposition in the Upper House (Tokyo Shimbun)
- 14) Diet this week to be stalled, as Democratic Party of Japan (DPJ) decides to boycott deliberations over the ruling camp's forcing vote on the budget (Yomiuri)
- 15) DPJ head Ozawa, angry at passing of budget by Lower House, vows to shoot down ruling camp's candidate for governor of Bank of Japan (Nikkei)
- 16) DPJ favors former BOJ Vice Governor Yamaguchi to replace Fukui as governor (Yomiuri)
- 17) Diet boycott by opposition could last a week or longer (Yomiuri)
- 18) Government seeking ways to expand PKO dispatches to more countries (Nikkei)
- 19) Government readying big increase in ODA to Africa, centered on ways to prevent global warming (Nikkei)
- 20) Chinese President Hu coordinating Japan visit for April 17, with ROK President Lee arriving on April 21 (Nikkei)
- 21) 36 prefectures to continue blanket testing for BSE in cattle, even those under 20 months, despite government's admission that prions undetectable at early age (Mainichi)
- 22) Japan's minimum access rice imports have dropped 20 PERCENT , creating problems with the WTO (Sankei)

TOKYO 00000550 002 OF 014

Articles:

1) TOP HEADLINES

Asahi:

Tsuruga City in Fukui demands 60 municipal governments pay 1.4

SIPDIS

billion yen to dispose of illegally dumped waste

Mainichi:

Disapproval rate for Fukuda cabinet exceeds 50 PERCENT

Yomiuri:

Mitsubishi Electric to withdraw from cellular phone production business

Nikkei:

Japanese optical disc firms contracting operations, pressed by Asian firms' low-price strategy

Sankei:

In Russian presidential election, Medvedev certain to win landslide victory

Tokyo Shimbun:

Bureaucrats waste taxpayers' money, spending 100 billion yen to build empty parking lot

Akahata:

Japan Council against A&H Bombs meets, calls for nuclear abolition in 2010

2) EDITORIALS

Asahi:

(1) Special tax revenues for children necessary

Mainichi:

(1) Nonsupport rate for Fukuda cabinet: Prime minister's leadership

being questioned

(2) Japan should contribute to forming treaty to ban cluster bombs

Yomiuri:

(1) Japan must not slow increase in lawyers to improve legal services

(2) How will dairy, livestock industry overcome rising feed prices?

Nikkei:

(1) "200-year housing" program should lead to change in quality

(2) Relations between Israel and Japan are changing

Sankei:

(1) Designing fair system should be premise for emissions trading

(2) Thorough discussion needed for restrictions on foreign ownership of airport operators

Tokyo Shimbun:

(1) Aftermath of collapse of empires in Eurasian Continent

Akahata:

(1) Public consensus is that forcible measures on national anthem and flag are strange

TOKYO 00000550 003 OF 014

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, Feb. 29

NIKKEI (Page 2) (Full)

March 1, 2008

07:37

Met with Deputy Chief Cabinet Secretary Ono in Diet.

08:15

Attended a session of the Climate Change Measures promotion Headquarters. Afterwards, attended a cabinet meeting. After that, issued a letter of appointment to State Minister in Charge of Archive Management Kamikawa with Chief Cabinet Secretary Machimura present.

09:00

Attended a Lower House Budget Committee session.

12:03

Arrived at Kantei.

13:00

Attended a Lower House Budget Committee session.

20:21

Met with Deputy Chief Cabinet Secretary Futahashi at Kantei.

21:47

Attended a Lower House plenary session. Afterwards, visited Lower House Speaker Kono, Lower House Steering Committee Chairman Sasagawa, and leaders of the ruling bloc and thanked them.

23:00

Arrived at Kantei residence.

Prime Minister's schedule, March 1

NIKKEI (Page 2) (Full)

March 2, 2008

Morning

Stayed at Kantei residence.

12:27

Met with State Minister in Charge of Economic and Fiscal Policy Ota.

14:53

Met with U.S. Ambassador to Japan Schieffer at Imperial Hotel.

16:09

Arrived at Kantei residence.

Prime Minister's schedule, March 2

NIKKEI (Page 2) (Full)  
March 3, 2008

08:06

TOKYO 00000550 004 OF 014

Left Kantei aboard a JCG helicopter

08:58

Arrived at the municipal ballpark in Chiba Prefecture's Katsuura City.

09:07

Met with family members of Haruo Kichisei and his son Tetsuhiro, both of whom are missing after the collision of the Aegis destroyer and their fishing boat, at their house.

09:42

Left the ballpark aboard a JCG helicopter.

10:20

Arrived at Kantei.

10:53

Arrived at Kantei residence.

13:23

Met with Prime Ministerial Advisor Ito.

4) Naha prosecutors release U.S. soldier as schoolgirl drops charges over sexual assault

ASAHI (Top Play) (excerpts)  
March 1, 2008

The Naha District Public Prosecutors Office yesterday released Tyrone Hadnott, 38, a staff sergeant in Okinawa, who had been arrested on suspicion of raping a junior high school student, since the girl had dropped her charges the same day. The schoolgirl reportedly told a prosecutor in questioning: "I do not want to remain involved in this anymore. Please leave me alone." Following this, the U.S. Marine was released around 20:40 and was handed over to the U.S. military.

Under the criminal code, such sexual crimes as rape and morals crimes are classified as an offense indictable only on complaint of the victims, from the viewpoint of protecting their privacy.

The Okinawa Prefectural Police Headquarters arrested the Marine in early morning of Feb. 11 on suspicion of raping a junior high school student in a car in Chatan-cho on the night of Feb. 10. The suspect was denying the charge in questioning: "I sought sex, but she rejected my offer. I did not sexually assault her." Keeping the possibility of an attempted rape crime in mind, the prosecutors were carefully carrying out the investigation.

5) Ambassador Schieffer tells prime minister that U.S. military will continue investigation into staff sergeant, while stressing measures to prevent misconducts

YOMIURI (Page 2) (Full)  
March 2, 2008

Prime Minister Yasuo Fukuda held a meeting on March 1 at a Tokyo hotel with U.S. Ambassador to Japan Thomas Schieffer to discuss the alleged sexual assault (on Feb. 11) against a junior high school girl in Okinawa by a U.S. Marine.

Ambassador Schieffer made it clear that the United States will continue its investigation into the allegation although the Japanese prosecutors' office has dropped the case against the staff sergeant. He stated: "Although he has been released, he is still under the custody of the U.S. Marine Corps. (The United States) will continue its investigation into the case."

The Ambassador also underscored the U.S. stance of making utmost efforts to prevent a recurrence of misconduct by U.S. service members, stating: "We will continue our activities so that an incident like this will never occur again. We will continue our efforts to improve the relationship between people in Okinawa and the U.S. military."

In response, the prime minister indicated that Japan will work together with the United States in addressing the issue, saying: "Japan and the United States must continue to work closely."

To prevent incidents by U.S. servicemen, an outline of preventive measures was released on Feb. 22 requiring the U.S. military to notify the Japanese government once a year of the number of U.S. service members living off-base and the Japanese government in turn conveying the information to local governments.

6) U.S. embassy spokesman: "U.S. military will continue investigation"

ASAHI (Page 1) (Full)  
March 1, 2008

With regard to the release of the U.S. Marine who had been arrested on suspicion of raping a schoolgirl in Okinawa, U.S. Embassy Spokesman Marks told an Asahi Shimbun reporter last night:

"Despite the release, this is an extremely regrettable case. If Japan decides to waive its primary jurisdiction in this case, U.S. military authorities will review the evidence and continue their own investigation. They then will determine their future response."

The U.S. spokesman thus indicated that the U.S. military will continue its investigation, keeping a court-martial or other action in mind.

On preventive measures, Marks said: "We will continue" efforts by the U.S. military's taskforce and the working team (with the central, prefectural, and municipal governments), the reflection day, and the review of the education program.

7) Prime Minister Fukuda: "Japan-U.S. cooperation is necessary to prevent recurrence of similar cases to schoolgirl rape by U.S. Marine in Okinawa"

ASAHI (Page 1) (Full)  
March 1, 2008

Speaking before reporters in the Diet Building last night, Prime Minister Fukuda said regarding the release of the U.S. Marine who had been arrested on suspicion of raping a schoolgirl in Okinawa:

"I think it is imperative for Japan and the U.S. to closely cooperate in preventing such a case. The government will continue to make utmost efforts to that end."

8) Another Okinawa-based U.S. serviceman arrested

TOKYO SHIMBUN (Page 23) (Full)  
March 3, 2008

Police in Okinawa Prefecture yesterday arrested Wesley Taft, a 21-year-old airman second class belonging to the U.S. Air Force's Kadena base, on suspicion of trespassing in a private office. Taft

has admitted the allegation, the police said.

In the wake of a recent junior high school girl rape incident, the U.S. forces in Okinawa have locked down their bases since Feb. 20 to bar all U.S. military personnel and civilian employees indefinitely in principle from going out. However, Taft left Camp Shields by climbing a fence at Kadena base, the police said. In Okinawa, a civilian employee living on the Kadena base was arrested only on Mar. 1 on suspicion of violating the Stimulants Control Law.

According to investigations, Taft allegedly broke the glass door of an office of the Okinawa Contractors Association in the city of Okinawa and entered the office at around 6:40 a.m. yesterday. Taft's breath smelled of alcohol, and he is believed to have been drunk. A security guard, who arrived at the office after its alarm was set off, called the police. About an hour later, police officers from the Okinawa Police Station discovered the suspect when he was about 200 meters away from the office with a steel pipe in his hand.

9) Governor Ishihara proposes temporarily dissolving U.S.-Japan Security Treaty to rebuild relations

SANKEI (Page 1) (Full)  
March 1, 2008

Tokyo Governor Shintaro Ishihara in a regular press conference on Feb. 29 referred to the need to fundamentally review Japan-U.S. relations in connection with the stalled talks on joint military-civilian use of U.S. Yokota Air Base (straddling Tokyo's Fussa and other municipalities). He said: "The U.S.-Japan Security Treaty should be dissolved temporarily in order to help the United States come to its senses."

Ishihara explained a plan to hold a seminar on dual use of Yokota Air Base. In it, he criticized the current situation in which the U.S. military regards monopolistic use of the base as a vested interest, as seen in a U.S. military source's comment that Yokota Air Base is a WWII legacy. Ishihara said: "The recent deplorable incident in Okinawa (in which a junior high school girl was allegedly assaulted by a U.S. Marine) is not something that can be settled with a handshake between Prime Minister (Fukuda) and (the U.S.) Secretary of State."

Ishihara then proposed dissolving the U.S.-Japan Security Treaty for about one year in order to rebuild bilateral relations. He added: "The Status of Forces Agreement must be reviewed first in order to build a true Japan-U.S. security system."

Ishihara has come up with the idea of dual use as a temporary step before Yokota's reversion to Japan. In the May 2003 Japan-U.S. summit, then Prime Minister Junichiro Koizumi reached an agreement with President George W. Bush to study dual use. Tokyo and Washington began talks on the matter in October 2006 with the aim of

TOKYO 00000550 007 OF 014

reaching a conclusion in one year. The deadline was not met.

10) Fukuda apologies to family of 2 missing fishermen

YOMIURI (Page 1) (Abridged)  
March 3, 2008

Prime Minister Fukuda yesterday afternoon visited the house of Haruo Kichisei, 58, and his son Tetsuhiro, 23, in the city of Katsuura, Chiba Prefecture, and apologized in person to their family.

"They still had their lives ahead of them, and I feel sorry," Fukuda said. "I don't want such an accident to take place again...never again," Haruo's cousin, Yoshitaka Nakanoya said to Fukuda. "I will strive so anything like this will never happen again." With this, Fukuda promised to prevent a recurrence. "Let me ask you to stop searching for the two now. As long as we see the search going on, we will be filled with sorrow again," Nakanoya said. "And," he added, "we want Katsuura's fishermen to go fishing like before." However, Fukuda indicated that the MSDF and others would continue their search for the time being.

11) Defense minister admits inept explanation about Aegis destroyer Atago collision

TOKYO SHIMBUN (Page 2) (Full)  
March 3, 2008

Appearing on a commercial TV talk show yesterday, Defense Minister Shigeru Ishiba admitted to the Ministry of Defense's (MOD) inept handling of the aftermath of the collision of the Maritime Self-Defense Force's (MSDF) Aegis destroyer Atago and a fishing boat and said: "The MOD's explanation to the public kept changing." Indicating his intent to improve the internal systems in reforming the organization in the months ahead, Ishiba noted: "Differing accounts should not be given."

MOD exposed its clumsiness in giving accounts of the questioning conducted separately by the Maritime Staff Office (MSO) staff and Ishiba. For instance, MOD initially said it had obtained approval from the Japan Coast Guard (JCG) for the questioning, but the fact was that the questioning had been conducted without permission. Additionally, MOD initially explained it had no notes (of the questioning), but it was found later that records had been kept. Furthermore, MOD did not give any account of the fact for nearly one week that Ishiba and other leaders also had conducted questioning.

12) Poll: Cabinet nonsupport tops 50 PERCENT , support rate down 3 points to 30 PERCENT

MAINICHI (Top play) (Abridged)  
March 3, 2008

The Mainichi Shimbun conducted a telephone-based nationwide public opinion survey on Mar. 1-2. In the survey, the rate of public support for Prime Minister Yasuo Fukuda and his cabinet was 30 PERCENT , down 3 percentage points from the last survey taken in January, setting a new low (in the Mainichi poll) since Fukuda came into office in September last year. The nonsupport rate for the Fukuda cabinet rose to 51 PERCENT , topping 50 PERCENT for the first time (in the Mainichi survey). Respondents were asked about the government's response to the recent collision of the Maritime

TOKYO 00000550 008 OF 014

Self-Defense Force's Aegis destroyer Atago with a fishing boat. To this question, a total of 74 PERCENT were critical of the government, with 41 PERCENT answering that they "don't appreciate" and 33 PERCENT saying they "don't appreciate very much."

The Fukuda cabinet's approval rating, which scored 57 PERCENT after its inauguration, dropped to 33 PERCENT in December last year and has not rebounded since then. Meanwhile, its disapproval rating has consistently risen.

On a gender basis, the Fukuda cabinet's support rate was 28 PERCENT among men, failing to reach 30 PERCENT , and the nonsupport rate was 58 PERCENT . In the breakdown of reasons for not supporting the Fukuda cabinet, 40 PERCENT picked "because nothing can be expected of the prime minister's leadership," up 11 points from the last survey. The figure shows that the prime minister's response to the Aegis accident and other events was a factor that caused the nonsupport rate to rise.

When asked about Defense Minister Shigeru Ishiba's responsibility, a total of 49 PERCENT called for his resignation. In their breakdown, 45 PERCENT answered that he should resign after taking appropriate measures to deal with the accident, topping all other answers, and 4 PERCENT insisted on his immediate resignation. Meanwhile, 39 PERCENT insisted that he should make efforts to prevent such an accident from recurring, instead of resigning, and 8 PERCENT said it is strange to call for his resignation. As seen from these figures, public opinion was split over Ishiba's responsibility.

In the breakdown of public support for political parties, the ruling Liberal Democratic Party stood at 26 PERCENT , down 2 points from the last survey. The leading opposition Democratic Party of Japan (Minshuto) was at 23 PERCENT , down 1 point from the last survey.

13) New fiscal year budget bill passes Lower House, as well as special bills related to taxes; Opposition camp to fight them in the Upper House

TOKYO SHIMBUN (Top play) (Excerpt)  
March 1, 2008

The fiscal 2008 budget bill and related legislation, such as the special measures bills amending taxes, including one maintaining the temporary tax rate on gasoline were voted on by the House of Representatives on the evening of Feb. 29 and adopted by a majority of votes of members of the ruling parties and other lawmakers. The bills were then sent on the House of Councillors. The Japanese Communist Party was present and voted against the bills, while the Democratic Party of Japan, Social Democratic Party, and Peoples New Party lawmakers absented themselves from the floor vote.

14) DPJ Diet Affairs Committee Chairman Yamaoka: DPJ will boycott deliberations for at least one week

YOMIURI (Page 2) (Full)  
March 3, 2008

When asked by the press about deliberations on the fiscal 2008 state budget bill, Democratic Party of Japan (DPJ or Minshuto) Diet Affairs Committee Chairman Kenji Yamaoka said yesterday:

"The ruling parties took a forced vote (in the House of

TOKYO 00000550 009 OF 014

Representatives) even though there was no agreement between the ruling and opposition camps. They completely ignored the mediation effort (by the Lower House speaker and the Upper House president). This has enraged my party members. Given the situation, we can't deliberate on the bill for at least one week."

The DPJ plans to boycott deliberations in the two Diet chambers for the time being.

In regard to tax reform-related bills, including one to revise the Special Taxation Measures Law, which would retain the provisional tax for gasoline and other road-related taxes, Yamaoka said: "We will take a vote on bills that are necessary for the daily lives of the people before end of the current fiscal year." He indicated that the largest opposition party would boycott deliberations on the government-sponsored tax reform bills and on its counterproposals, giving priority to deliberations on its own bill.

Appearing on an NHK program yesterday, however, ruling Liberal Democratic Party Diet Affairs Committee Chairman Tadamori Oshima stated:

"We want to have a chance to discuss fiscal resources and road projects between the parties. In the Upper House, as well, committees should debate both (government and DPJ) bills. We will have to take a flexible stance (toward revising the government-sponsored bills) when we come to a certain point."

New Komeito Diet Affairs Committee Chairman Yoshio Urushibara, appearing on the same NHK program, emphasized that a consultative organ should be set up between the ruling and opposition camps. He said: "It is important to create a consultative organ to discuss the matters between political parties, as well as local government officials."

15) DPJ head Ozawa: "Trust has been destroyed"; DPJ senior lawmaker "100 PERCENT chance" of party not agreeing now to appointment of Muto as Bank of Japan governor

NIKKEI (Page 1) (Excerpts)  
Eve., March 1, 2008

In a press conference around noon in Morioka City, Democratic Party of Japan President Ichiro Ozawa stated his view that if the government proposes the name of former Vice Finance Minister Toshiro



Muto to be appointed the new Bank of Japan governor, it was inconceivable now that the party would agree. Ozawa stated: "Things like last night (i.e., the ruling camp's forced adoption of the national budget) and the accident and improprieties involving the Defense Ministry, all of these have led to a situation in which the trust in the government and ruling parties has been completely destroyed."

In connection with the move, a senior DPJ lawmaker on Mar. 1 took the view that there was "100 PERCENT chance of our not approving the promotion of Muto."

16) DPJ hardens stance on selection of BOJ governor

YOMIURI (Top Play) (Lead Paragraph)  
March 2, 2008

TOKYO 00000550 010 OF 014

The Democratic Party of Japan (DPJ) has hardened its stance over the selection of a successor to Bank of Japan (BOJ) Governor Toshihiko Fukui, whose term of office expires on March 19. The government and the ruling camp have decided to promote former Vice Finance Minister Toshiro Muto, 64, to the governorship, but DPJ President Ozawa emphasized: "The relationship of trust between the ruling and opposition parties has completely collapsed." Another senior DPJ lawmaker also said that if the government recommends former Vice BOJ Governor Yutaka Yamaguchi, 67, the party would accept the plan. Should the main opposition party continue to take a stiff attitude, the situation will become uncertain.

17) Diet may stall as DPJ plans to boycott deliberations in Upper House

YOMIURI (Page 4) (Full)  
March 2, 2008

A fierce battle is expected between the ruling and opposition parties over when to start deliberations in the House of Councillors on the fiscal 2008 state budget bill and tax reform-related bills, including one to revise the Special Taxation Measures Law, which is aimed at retaining the current provisional tax for gasoline. Although the ruling coalition, which aims to enact the tax-reform bills before the end of the current fiscal year, the main opposition Democratic Party of Japan (DPJ or Minshuto), which has the initiative in the Upper House, has strongly reacted to the ruling camp's ramming the bills through the House of Representatives last week, is determined to boycott deliberations in the Upper House for the time being. As such, the Diet may stall this week.

On the night of Feb. 29 when the FY2008 state budget and tax reform-related bills approved by the Lower House, DPJ Secretary General Yukio Hatoyama stressed at a press conference:

"The ruling parties forced through a vote on the bills at the Lower House. We are not in a situation for the time being to deliberate the budget and tax reform bills in the Upper House."

In a meeting on Feb. 29 of the Diet affairs committee chairmen of the DPJ and the ruling Liberal Democratic Party, the LDP proposed holding a question-and-answer session on the FY2008 budget bill on March 4 at the Budget Committee, but the DPJ rejected the proposal. Therefore, the planned consultation was put off to March 3.

If the DPJ's boycott of deliberations is prolonged and if taking a vote on the Special Taxation Measures Law revision bill becomes impossible, the provisional tax rates would become null and void at the end of March.

If the DPJ prolongs its boycott, it will not be able to carry out deliberations on its own bill to reform the tax revenue system for road construction, which it previously submitted to the Upper House. Since boycotting deliberations may strengthen public criticism of the DPJ, Japanese Communist Party Chairman Kazuo Shii made a comment critical of the DPJ's strategy, saying: "Following the mediation by the leaders of the two Diet chambers, thorough deliberations should

be conducted in the Upper House."

The Lower House Committee on Land, Infrastructure, and Transport postponed a vote on a bill to revise the Road Construction Revenues Special Exemption Law. The committee has then set a meeting of its

TOKYO 00000550 011 OF 014

directors on March 3. A senior LDP member commented: "The DPJ may return to deliberations in the middle of the week." However, it is unclear how things will develop in the future.

18) Japan mulling sending SDF to various PKOs

TOKYO SHIMBUN (Page 2) (Full)  
March 3, 2008

Nakahiro Iwata

The government has begun a full-scale discussion about dispatching the Self-Defense Forces (SDF) abroad on new missions, including participation in United Nations-led peacekeeping operations (PKOs). This move reflects Prime Minister Yasuo Fukuda's recent Diet policy speech, in which he declared that Japan will play a responsible role in the international community. With peace-building expected to be high on the agenda for the upcoming Group of Eight (G-8) Toyako Summit in July, which Fukuda will host, Japan also wants to appeal to the international audience about the results of human contributions by deploying more SDF personnel abroad.

According to the Ministry of Foreign Affairs (MOFA), the UN presently has peacekeeping and peace-building missions in 28 locations across the world. Some 119 countries are participating in those missions, with a combined total of 90,000 personnel. Japan has sent a total of 51 SDF personnel to the UN Disengagement Observer Force (UNDOF) and the UN Mission in Nepal (UNMIN) to help elections with 45 personnel for the former and six for the latter.

According to UN statistics (as of the end of January), the number of the SDF personnel dispatched by Japan is far less than that of India (9,400) and China (2,000). In terms of human contributions, Japan ranks 82nd among the 119 countries and is at the bottom of the G-8.

Because of this ranking, MOFA and the Prime Minister's Official Residence (Kantei) are concerned that Japan's international status will decline, with Foreign Minister Masahiko Koumura noting, "Japan's human contributions are too few, although in terms of monetary contributions to the UN, Japan takes second place after the United States, and in terms of economic strength, Japan ranks second in the world." Out of this concern, Japan has begun looking for ways to send SDF personnel abroad more often for UN missions.

As candidate UN missions for Japan to send SDF personnel, Japan is considering the UN Missions in Sudan (UNMIS), the UN Truce Supervision Organization (UNTSO), and the UN Integrated Mission in Timor-Leste.

The Ministry of Defense (MOD), to which the SDF belongs, is cautious, in terms of safety, about sending abroad a large unit that would engage in removing land mines and building infrastructure.

There is also a cautious view at home about increasing occasions for the SDF to be dispatched abroad. In order to send SDF personnel to engage in the major duties of a peacekeeping force of the UN PKOs, the government needs to obtain prior approval from the Diet. But given that the opposition bloc dominates the Upper House, it will be tough for the government to obtain pre-approval.

Furthermore, criticism of MOD and the SDF is mounting at present

TOKYO 00000550 012 OF 014

over the recent collision of the Maritime Self-Defense Force's (MSDF) Aegis destroyer Atago and the fishing boat Seitoku-maru. Even in the ruling bloc, the junior coalition partner New Komeito's

Representative Akihiro Ota noted: "The premise for a dispatch of SDF personnel for many more PKO missions is that the SDF and MOD have the public's confidence." All these things considered, new plans to dispatch SDF personnel abroad are unlikely to be accepted so smoothly.

19) Japan's action plan for assistance to Africa to be featured by measures to deal with climate change

NIKKEI (Page 1) (Excerpts)  
Eve., March 1, 2008

An action plan to help Africa, which is to be adopted at the upcoming Tokyo International Conference on African Development (TICAD) in Yokohama City in May, was revealed today. Features of the plan include helping Africa to grow economically and giving aid in the area of human security, such as health and education. Japan will also consider declaring a plan to triple at a maximum its official development assistance (ODA) to Africa over the next five year.

Aid to Africa is likely to be put on a major agenda item for the upcoming Group of Eight (G-5) Toyako Summit in July. Through the action plan, Japan intends to appeal to the rest of the world about its efforts in this regard.

In the environmental area, the action plan defines Africa as a most fragile continent in terms of climate change and specifies that Japan will actively offer its funds and technology to Africa in three areas: (1) reduction of greenhouse gas emissions; (2) adaptation to natural disasters caused by climate change; and (3) introduction of alternate energies, such as geothermal energy. Japan has already announced a scheme of providing a 10-billion-yen-scale fund to developing countries. Under this scheme, Japan will provide more money to Africa on a priority basis.

20) Coordination underway for visit to Japan by Chinese president on April 17, visit by South Korean president on April 21

NIKKEI (Page 1) (Full)  
March 1, 2008

It was learned on Feb. 29 that the Japanese government had proposed to the Chinese government that President Hu Jintao will visit Japan on April 17-20. It will be the first time for a Chinese president to visit Japan in ten years since Jiang Zemin came in 1998. The government is also coordinating a visit to Japan by South Korea President Lee Myung Bak on April 21-22.

The government sounded out the schedule for President Hu's visit through Chinese Councilor Tang Jiaxuan, who had visited Tokyo recently. Hu is expected during his stay in Tokyo on April 17-18 to meet with Prime Minister Yasuo Fukuda and the Emperor. The Chinese leader will likely visit Horyuji Temple and other places in Nara Prefecture on April 19-20. However, there is a possibility that the planned presidential visit will be put off due to the negative impact of the row over poisoned imported dumplings. South Korea President Lee is expected to stop in Japan on his way home from the United States.

TOKYO 00000550 013 OF 014

Fukuda and Hu are expected to affirm bilateral cooperation on the environment and energy fields with an eye on the creation of strategic and reciprocal relationship. The two leaders will also discuss the dispute over gas exploration in the East China Sea and North Korea's nuclear ambitions.

21) Blanket cattle inspection in place in 36 prefectures: MHLW notice to end inspection of cattle aged up to 20 months ignored

MAINICHI (Page 1) (Full)  
March 2, 2008

A Mainichi Shimbun survey has found that none of the nation's prefectures have decided to end blanket cattle inspection as a measure to prevent BSE infection after August this year, when the

government will stop providing subsidies for the inspection of cattle aged up to 20 months. Thirty-six prefectures have earmarked voluntary cattle inspection expenses in their fiscal 2008 budget. The remaining prefectures will also most likely take BSE preventive measures, with one prefecture noting that they would wait and see what action other local governments would take. It was thus found that the notification of the Minister of Health, Labor and Welfare (MHLW) seeking the end of the blanket cattle inspection throughout the nation has been ignored, underscoring the difference in safety awareness between the central and local governments.

Since it is difficult to detect BSE in calves, the MHLW decided to limit cattle subject to BSE inspection to those aged 21 months or older starting August 2005, following the Food Safety Commission's report, which noted that (the abolition of inspection of cattle aged up to 20 months) would not raise the BSE infection risk. However, since many local governments opposed the decision, the government has introduced the measure of fully subsidizing local governments, if they continue to inspect cattle aged up to 20 months, for three years until the end of July this year.

The survey asked all prefectures except for Fukui, where there are no slaughterhouses, whether they would continue the inspection of cattle aged to 20 months. Thirty-six prefectures replied that they compiled a budget on the assumption that they would continue such an inspection. Hokkaido, which accounts for one-third of the shipment of cattle aged up to 20 months, earmarked the largest amount of 35 million yen. Akita, Tokyo, Yamanashi, Nagano, Shiga, Kyoto, Osaka, Hiroshima, Kochi and Kumamoto replied that it is not necessary for them to prepare such a budget, because they only have a small number of cattle, though they did not rule out the possibility of continuing blanket cattle inspection. As reasons for continuing blanket inspection, the largest number of respondents cited securing safety and peace of mind for consumers, and preventing the value of the brand name of their beef products from declining as a result of a curtailed inspection. The outcome of the survey showed the respondents' lockstep mentality. Chiba prefecture replied that it conducted an Internet questionnaire on citizens and asked the propriety of ending blanket cattle inspection at opinion exchange meetings, and found that approximately 80 PERCENT of respondents hoped for the continuation of the inspection.

The MHLW last August sent a notice to all prefectures seeking the end of the blanket inspection with the end of subsidies as the occasion, noting that if each local government adopts a different approach to cattle inspection, consumers would feel uneasy and that it would also create a confused situation in the production and

TOKYO 00000550 014 OF 014

distribution fields

22) Stockpiles of minimum access rice fall 20 PERCENT ; Negative impact on WTO talks likely

SANKEI (Page 2) (Excerpts)  
March 3, 2008

The Ministry of Agriculture, Forest and Fisheries (MAFF) revealed the estimate that the inventories of rice imported under the so-called minimum access deal as of the end of fiscal 2007 dropped more than 20 PERCENT to 1.37 million tons, compared with the level of the preceding year. The margin of the drop is more than 30 PERCENT compared with the peak level of 2.03 million tons recorded at the end of fiscal 2005. The reason is that the sales of MA rice for animal feed are brisk, because the prices of feed grains, such as corn, are skyrocketing on the international market.

The minimum access rice deal was introduced as a measure to open the rice market. A reduction in the stockpiles at the end of each fiscal year leads to a reduced fiscal burden, such as storage fees, for the government. In the meantime, food exporting countries are pressing Japan to expand its imports of rice under the minimum access deal at the World Trade Organization (WTO) agricultural talks. They could take advantage of the sharp drop in the stockpiles of MA rice in Japan.

The volume of sales of MA rice for animal feed stood at 400,000 tons in fiscal 2006, but it went up 50 PERCENT to 600,000 tons in fiscal 2007. The import quota for MA rice has been fixed at 767,000 tons a year since fiscal 2000. If sales of MA rice continue to increase, the entire amount of imported MA rice would be consumed for animal feed alone from next fiscal year on.

MA rice is sold for the following uses -- 100,000 tons for special demand from ethnic restaurants, 200,000-250,000 tons for processing, such as rice crackers, and 150,000-250,000 tons for food aid. In addition to those fixed demands, sales for animal feed were approved in July 2006.

SCHIEFFER